

## WHO IS CARING FOR THE CHILDREN?<sup>1</sup>

An Exploratory Survey Conducted in Hungary, Poland, Bulgaria, and Romania

### Executive Summary

As a result of changes in economic policy within Central and Eastern Europe there have been changes in the quality of people's lives, including the lives of children. Because of the long-term impact of early experiences, children's needs in the changing economy cannot be overlooked. This report is about the changes in the lives of young children and their families that have come about as a result of economic reforms. The report, based on a study begun in 1994, provides a description of the context within which children live in Poland, Hungary, Romania and Bulgaria. It attempts to answer the specific question: In the shift to a market economy, who is caring for the children?

The specific objectives of this study were to: (a) provide a systematic assessment of the changing child care situation for young children, in terms of who is caring for the children and the quality of that care; and (b) make recommendations regarding future programming for children and their families, given shifts to a market economy.

Those involved in the countries studies were: the National Institute for Day-care Centres in Hungary, the Institute for Educational Research in Poland, the Institute for Education Studies in Romania, and the Counseling and Psychotherapy Centre in Bulgaria. The organizations in Hungary, Poland and Romania are all State-supported. In Bulgaria the lead institution is a non-governmental organization.

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<sup>1</sup> Judith L. Evans 1995

## A Summary of Results

Prior to reforms in the early 1990s, within Eastern and Central European countries resources were devoted to providing appropriate care and stimulation for children in center-based programs, from the earliest months of life until they entered primary school,. The provision of formalized childcare had two purposes. First, it allowed women to participate fully in the workforce.

Second, it provided a way for the State to assure that all children were being cared for according to the standard set by the State. In some countries this standard was high and the quality of care provided a model for others to follow in terms of caring for children. In other countries, however, childcare centers were places where children were kept but not cared for nor stimulated.

As social policies began to change as a result of economic reforms there was a fear that there would be a decrease in children's opportunities to participate in quality early childhood programs, and that this would have a negative impact on children's development, particularly if these programs were not replaced by adequate parenting support and alternative forms of care and stimulation. Thus there was an interest in understanding more fully the impact of the changes on children's lives.

The four countries in the study are all experiencing a rapid rise in poverty, and at the present time families are under great stress. They are being forced to move from what was a secure world to one that presents challenges and unknowns never before imagined. They are struggling to survive with unreliable and insufficient incomes; housing is inadequate; food supplies are unpredictable; and families are faced with the issue of how to provide for their children. There has been a shift in ideology away from the State taking responsibility for the children to a focus on the importance of the family, and an emphasis on the role of the mother, in particular, in providing appropriate support for the child's growth and development.

While it is easy to be cynical and say that the focus on the family is just the State's way to justify limiting women's participation in the workforce, to keep people from being distressed about high unemployment rates, and to justify the decreasing State support for childcare facilities, the reality is that responsibility for the care of young children has been shifted to families. Thus a critical question is, what supports are available to families in their parenting role?

To put the supports available to families today into context, it is important to have an understanding of the situation prior to the shift to a market economy. An extensive system of allowances, benefits and leaves was created that provided both appropriate care and stimulation for young children and opportunities for women who were already in the work force to maintain their employment and income during the early years of a child's life. Support for families and children took several forms. While these differed somewhat from country to country, the basic supports available in the countries included in the study consisted of:

- Maternity and child health services- health services were available free of charge as part of a comprehensive social service system to those employed full-time by the State and cooperative sector or through membership in State-controlled associations. Coverage was high: close to 100% of deliveries were attended by trained personnel; immunization rates were high; and nearly all women had access to prenatal health care.
- Childbirth grants/maternity aid - a one-time payment was given to families on the birth of a child.
- Child/family allowance - a monthly allowance was provided to families from birth until the child was 16-21 years of age, depending on the country and whether or not the child was still in school. This was meant to compensate families for the additional expenses incurred as a result of having children.
- Maternity leave - a paid leave was provided to employed mothers before and after delivery of the child. It was paid from social security funds for a period of 4 to 7 months. The amount was between 50 and 100% of the mother's salary, depending on how long she had been employed and where the new baby was in the birth order. (For each subsequent child the time available and/or the amount she was paid was greater.)
- Parental leave - an extended leave, sometimes available to either parent, paid or unpaid, was granted until the child was at least 2 and sometimes until the child was 3. Eligibility for this leave was based on employment history, with the amount of the benefit based on a variety of formulas.
- Sick child allowance - paid leave was provided for employed parents to care for a sick child at home. Eligibility in terms of number of days that could be used each year and the age of the child difference from country to country.
- Housing - subsidies, payments and/or preferences were given to families with children.
- Childcare: nurseries/creches - center-based programs were provided for children from a few months after birth to three (four) years of age. These were generally operated by the Ministry of Health, thus staff were health-care providers.
- Preschools/kindergartens - center-based programs were provided for children from three (four) to six (seven) years of age. These were operated by the Ministry of Education and had a much greater focus on educational activities.

When quality provision existed, children attending the programs benefitted. Within the center-based programs provided for the children they received health care, 3-5 meals a day and, in the best situations, an educational program. Enrollment in nurseries/creches (for children

from several months after birth to 3 years of age) and preschools/kindergartens for 3-6 year olds) was voluntary, and for the most part it was provided by the State. Attendance in creches/nurseries was low due to the childcare allowance provided by government, which made it possible for women to stay home with their children for the first two to three years of the child's life. Many women took advantage of this. Thus there was not a great demand for creches/nurseries. For example, childcare attendance was highest in Bulgaria where in 1992 it was serving 14% of the 0-2 population. In the other countries in the study it was lower. With the exception of some rural areas where there was inadequate coverage, this level of provision appears to have been meeting the need.

On the other hand, center-based programs for the 3-6 year olds (preschool and kindergartens) began in the early 1800s. They were widely used and increased in popularity and coverage until 1980. Historically a large percentage of the population took advantage of preschools/kindergartens, although they were never mandatory.

As a result of the movement to a market economy, the social support systems are changing. In all the countries included in the study the State employs fewer people, social services have been decentralized (with the exception of Romania) and privatization is underway, leading to the restructuring of enterprises and changes in the provision of social supports. During the early years of the transition governments did not make changes in the social support policies in relation to the health, education, and social services.

Nonetheless, overall fiscal austerity and the shift of responsibility from the State to local authorities has affected all social sectors, including what is provided for children. In 1994, governments began to put forward changes in family support policies, and in 1995 we are seeing the first implementation of some of these changes.

## Conclusions

One of the initial motivations for the study came out of data that indicated that unemployment rates are higher for women than for men, particularly for women in the early childbearing years. Data also indicated that childcare places were being closed. Putting these data together the question was asked: Are women, for whom the ethos has been to work full-time, now choosing to stay home and raise their children, thus leading to their unemployment and a decreased need for childcare? Looking at the reality of a family's life through this study has made it abundantly clear that families in most of the Central and Eastern European countries cannot survive on only one wage. Both parents have to work to meet even the most basic of needs.

Women's higher unemployment rates are not because women want to stay home and raise a family; they are the result of economic policies which make women of childbearing age less desirable to hire. For example, companies that employ women full time are then responsible for paying maternity benefits. In order to avoid this, companies put women on short-term contracts that don't include maternity benefits, or they hire men instead. An

indication of the reality of the situation is that in Bulgaria women under the age of 30 (prime childbearing years) constitute 70% of the group of unemployed women. (UNICEF, 1994, p. 46).

So, if women need to work, and do so when they can find employment, why are childcare places closing? There are several reasons: A decentralization of responsibility for child care. In Poland, Hungary and Bulgaria responsibility for funding and supporting child care has been shifted from central government to local authorities/municipalities. In Romania these functions remain centralized. One of the problems with decentralization is that local authorities are unable to finance and/or manage child care and kindergartens at the level previously provided by the State. Thus while some local authorities have maintained childcare services, others have given higher priority to other social services that they are required to provide. A strategy that local governments have adopted to compensate for the loss of State support is to introduce substantial user fees.

2. The introduction of user fees. In most countries prior to the shift, childcare (nurseries and creches for children 0-3) and preschools/kindergartens (for children 3-6 years of age) were free. (The exception was Poland where a minimal fee was charged, and even this could be waived if the family was unable to pay it). Today user fees can be disproportionately high because of changes in income.

3. The deterioration of real income. Money earned is buying much less. This coupled with the fact that families are now required to pay fees for a variety of services previously provided by the State, is forcing families to make choices among the services they need. The impact of these choices has already been seen in relation to child care. Growing numbers of parents are not able to pay the fees being charged and are withdrawing their children from child care and kindergartens. Families where only one parent is working cannot afford these fees; even in two-worker families the fees constitute a significant portion of family income. When parents cannot pay the fees, children cannot attend childcare programs.

4. A decrease in the birthrate. Fewer and fewer children are being born. The age cohort that would be eligible to receive these services has been shrinking. Thus, even though facilities are being closed, in many places the relative percentage of children within a given age group that is being served has remained more or less the same.

5. Privatization. Emerging small-scale businesses and private industry are not offering the child care supports previously available to families. They can neither support long-term leaves nor provide subsidized daycare at the work place. Thus women working in these businesses do not have access to organized child care.

6. Current forms of childcare are not meeting the need. Center-based childcare, as currently structured, does not meet women's needs. Even if they could afford it, many families are not eligible for childcare provided by local authorities, given the criteria that must be met in order to make use of these services. Thus women seek childcare elsewhere. In some instances this is provided through the extended family, and/or within the neighborhood.

In terms of the quality of care being provided, across all the countries there is a sense that standards are slipping. When central government was responsible for the provision of funding and support, standards could be maintained. As control for the delivery of services has shifted to local governments, where the investment in the provision of child care in fiscal and human terms is decreasing, there is a belief that the quality of care will be affected negatively. In some countries it is already possible to see deterioration in services.

The preservation and improvement of the institution of parental leave has contributed considerably to lessening tensions between work and early child care in most countries in transition. (ICDC, 1993, pg. 59) But these leaves are only of value if women are guaranteed employment upon return from leave, and if professional women are not penalized in terms of career opportunities by being out of the workforce for three years. An indication that these guarantees are not yet in place is the fact that in Bulgaria only 32% of parents of children ages 0-2 are on parental leave. This has been the rate since 1989. In Hungary in 1989, 69% of the parents took parental leave. This has been decreasing steadily, with it being 53% in 1991 and only 43% in 1992. (ICDC, 1993, pg 60) In Poland there is an increase in demand for creches/nurseries.

Thus families continue to seek childcare alternatives. With the introduction of privatization and self-employment opportunities there is the possibility of more flexibility in terms of schedules. Theoretically this would allow parents more time for childcare. But with the need for a minimum of two incomes for families to survive, parents are not able to take advantage of this flexibility. Rather, parents are more likely to be seeking alternative, more flexible forms of childcare as they try to mesh family responsibilities with unpredictable work schedules.

One option is privatized child care, particularly at the preschool/kindergarten level, but this is costly and not accessible to poor or middle-income families. Nonetheless, there are an increasing number of private childcare programs and kindergartens, but at present they are unregulated.

Family or neighborhood-based child care is another option being explored by some. But at this point there is little experience with this alternative, and there is no legal framework which would support the development of this alternative. However, it should be explored as it would create an employment opportunity for the woman providing the care and offer a necessary service for women who are employed outside the home.

The relative importance and impact of the variables that have affected both the quantity and quality of child care listed above differs among the countries included in the study. The reports of the individual country studies which follow provide a picture of what is occurring specifically in Poland, Hungary, Romania and Bulgaria.

In sum, from the data available it can be concluded that:

- The majority of children 0-3 years of age are still being cared for within the family -- whether or not women are on paid leave, on unpaid leave, or unemployed.
- The percentage of children within the 3-6 year age cohort that are attending preschools/ kindergartens has not changed dramatically since the reforms, but it is on the decline. In Poland there are more children seeking places than there are places available, but in the other countries the existing places are not full, although the distribution of places does not always match children's needs.
- Parents would like to have their children attend preschool/kindergartens, but the fees now being charged--for meals and a variety of activities--make the costs prohibitive. As a result, many children are being deprived of these early childhood experiences. There are no clear data on how parents are providing for the children who are no longer attending preschools/kindergartens. In some instances there is much greater reliance on the extended family; in other instances there are informal care networks within neighborhoods, but the bottom line is that we don't know what is happening for these children.

With the introduction and/or increase in fees there will be increasing inequities within the culture in terms of who is able to have access to early childhood programs. The preschool/ kindergarten experiences that have been available to all children, putting them all on an equal footing when they enter the primary school, will increasingly become something that only middle-class parents can afford. They will not be available to children living in poverty.

This will lead to greater inequalities in terms of children's performance in primary school, setting those children who have had the early childhood experiences on the road to school achievement, while those without preschool will not be fully prepared to take on the challenge.

The quality of care within center-based programs is declining. Resources are no longer available to maintain the necessary professional staff, and the maintenance of facilities is largely dependent on the commitment of local authorities to the provision of childcare.

## Recommendations

The specific recommendations that arise from these findings are as follows:

1. Alternative forms of child care need to be developed. The most logical approach is to develop family-based child care within the community and to strengthen a sense of community responsibility for the upbringing of children.
2. Investment should be made in the development of parent education materials and classes. Young parents of today were raised under an ideology that emphasized the importance of the

State and did not emphasize the value of the family as an important unit within society. Thus the parenting they experienced did not provide them with a model that is appropriate today where there is a renewed emphasis on the importance and value of family. As a result, young parents need access to information that will prepare them for the role of parenting.

3 As the services offered by government are declining--in scope and quality--there is a need for human capacity-building in general, but specifically within the NGO world. NGOs are an emerging phenomenon that need to be supported appropriately--financially and in terms of technical assistance to build management and administrative skills. Further, NGOs need to be encouraged to develop culturally-appropriate family support models that will enhance the family's capability to raise children and address directly the needs of young children.

4 Further research needs to be conducted to assess the experiences of children in these countries today on a more micro-level.

5 The changes in government policy should be monitored closely, with an assessment of their impact made early on, in order to anticipate what that will mean in the lives of families and children.

6 The needs of young children and their families should be brought to the attention of policy-makers, making them aware of the importance of the early years for the development of the child and ultimately for the development of the society as a whole.

## WHO IS CARING FOR THE CHILDREN? AN EXPLORATORY SURVEY CONDUCTED IN Hungary, Poland, Bulgaria and Romania

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## WHO IS CARING FOR THE CHILDREN? AN EXPLORATORY SURVEY

Starting from late 1989, practically all centrally-planned countries of Central and Eastern Europe (CEE) began introducing radical political and economic changes aimed at transforming their nations into pluralistic, market-based democracies. However, the pervasiveness, suddenness, extent and speed of these reforms and the radical changes they seek to bring about--particularly in the economic sphere--are without historical precedent. Even the most fertile imagination could not have envisaged the profoundness of the changes to be introduced. (ICDC, 1993, pg. 1)

The profoundness of changes has not been limited to the economic sphere. As a result of changes in economic policy there have been changes in the quality of people's lives, including the lives of children. Because of the long-term impact of early experiences, children's needs in the changing economy cannot be overlooked. This report is about the changes in the lives of young children and their families. It provides a description of the context within which children live in Poland, Hungary, Romania and Bulgaria. It attempts to answer the specific question: In the shift to a market economy, who is caring for the children? This report is based on a study begun in early 1994 designed to provide some answers to the question for the children in the four countries mentioned above. It is presented in two parts. The first part provides an overview and synthesis of what was discovered within the four countries. The second part contains the full reports from each of the individual countries.[1]

### I. INTRODUCTION

Why the focus on young children? There are two reasons for looking particularly at the needs of young children. The first has to do with the fact that what happens during the early years for young children, in terms of their health, nutrition, and psycho-social development provides the basis for their well-being and their ability to learn, and it lays the foundation for how they live their adult lives. This suggests the second reason for a focus on children, which is that children are the future of the country. The quality of their early years and the way they are raised will determine the kind of contribution they can make when they take on the responsibility of continuing the society. Inadequate child care, as defined by the lack of appropriate child and parent interaction and/or lack of environmental stimulation, can cause serious delays in the psychological and cognitive development of children, which can have immediate and long-term effects, including increased delinquency among adolescents and reduced productivity in adults. (Myers, 1995) Thus it is important that children's needs for health, nutrition and stimulation be addressed during the early years. The question is, how is this best done?

The needs of young children can be addressed in a range of settings--at home and in early childhood programs. Before the recent reforms, within Eastern and Central European countries resources were devoted to providing appropriate care and stimulation for children in center-based programs, from the earliest months of life until they entered primary school. The provision of

formalized childcare had two purposes. First it allowed women to participate fully in the workforce. Second, it provided a way for the State to assure that all children were being cared for according to the standard set by the State. In some countries this standard was high and the quality of care provided a model for others to follow in terms of caring for children. In other countries, however, childcare centers were places where children were kept but neither cared for nor stimulated.

As social policies began to change as a result of economic reforms there was a fear that there would be a decrease in children's opportunities to participate in quality early childhood programs, and that this would have a negative impact on children's development, particularly if these programs were not replaced by adequate parenting support and alternative forms of care and stimulation. This concern derives from the fact that there are questions about the extent to which parents are prepared and able to take on greater responsibility for raising their children, given the role that the State has played in people's lives. An analysis of the situation is provided in the ICDC Report which states:

The centralization, paternalism and lack of popular participation typical of socialist social policies engendered a strong sense of passivity and dependence among the population and contributed to the weakening of the family's role in the socialization, upbringing and education of children. Indeed the need to rely on two full-time salaries to ensure adequate living conditions, the erosion of the traditional family and the strong role advocated by the State in child socialization have all played a part in the rapid rise of poverty. (1993, pg. 4)

There is indeed a rapid rise in poverty, and at the present time families are under great stress. They are being forced to move from what was a secure world to one that presents challenges and unknowns never before imagined. They are struggling to survive with unreliable and insufficient incomes; housing is inadequate; food supplies are unpredictable; and families are faced with the issue of how to provide for their children. There has been a shift in ideology away from the State taking responsibility for the children to a focus on the importance of the family, and an emphasis on the role of the mother, in particular, in providing appropriate support for the child's growth and development.

While it is easy to be cynical and say that the focus on the family is just the State's way to justify limiting women's participation in the workforce, to keep people from being distressed about high unemployment rates, and to justify the decreasing State support for childcare facilities, the reality is that responsibility for the care of young children has been shifted to families. Thus a critical question is, what supports are available to families as they shift their parenting role? To put the supports available to families today into context, it is important to have an understanding of the situation prior to the shift to a market economy.

## II. BEFORE THE SHIFT TO A MARKET ECONOMY

The economic and social systems developed in Central and Eastern Europe following World War II were built on an economy that required the full participation of all adults. Several things had to be accomplished. First, mechanisms had to be established that would allow for the full-time participation of all able adults in the economy. Second, there had to be enough support to families that couples felt they could have children and it would not significantly change their quality of life. Thus an extensive system of allowances, benefits and leaves was created that provided both appropriate care and stimulation for young children and opportunities for women who were already in the work force to maintain their employment and income during the early years of a child's life. As noted in the report from Hungary:

The state socialist political system of the past forty years was characterized by the dominance of a "caring state". Families with children were given state support at the expense of salaries, which did not correspond to the full value of the worker's socially useful work, but only to a fraction of it. This was

justified by state-financed health care, education, leisure time activities and social services. However, the funds drawn away from the employees this way were increasingly spent for financing an obsolete, deficit-producing economy, with the result that less and less money was spent on the "non-productive" sector: the health services, education, culture and social services. In spite of this process, however, by the end of the 1980s, a wide range of social benefits were established. (Korintus, 1995, pg. 2)

Support for families and children took several forms. While these differed somewhat from country to country, the basic supports available in the countries included in the study consisted of:

- maternity and child health services- health services were available free of charge as part of a comprehensive social service system to those employed full-time by the State and cooperative sector or through membership in State-controlled associations. Coverage was high: close to 100% of deliveries were attended by trained personnel; immunization rates were high; and nearly

all women had access to prenatal health care.

childbirth grants/maternity aid - a one-time payment was given to families on the birth of a child.

- child/family allowance - a monthly allowance was provided to families from birth until the child was 16-21 years of age, depending on the country and whether or not the child was still in school. This was meant to compensate families for the additional expenses incurred as a result of having children.

Benefits were designed to encourage families of a specific size. There were increments in the payments up to the desired family size. The allowance was then lowered for additional children. The benefit varied from 3-20% of the average wage, with eligibility related to full-time employment history.

- maternity leave - a paid leave was provided to employed mothers before and after delivery of the child. It was paid from social security funds for a period of 4 to 7 months. The amount was between 50 and 100% of the mother's salary, depending on how long she had been employed and where the new baby was in the birth order. (For each subsequent child the time available

and/or the amount she was paid was greater.)

- parental leave - an extended leave, sometimes available to either parent, paid or unpaid, was granted until the child was at least 2 and sometimes until the child was 3. Eligibility for this leave was based on employment history, with the amount of the benefit based on a variety of formulas (equal to minimum wage, a percentage of income earned during the previous year of employment, etc.) (In Romania parents were offered unpaid leave until the child was 3. In Hungary even parents who had not been employed could get a minimum benefit. In Bulgaria there were 2 years of paid leave with the third year unpaid. In Poland women were allowed unpaid leave for up to three years.)

- Sick child allowance - paid leave was provided for employed parents to care for a sick child at home. Eligibility in terms of number of days that could be used each year and the age of the child differed from country to

country. (In Bulgaria it was 60 days/year until the child was 10. In Romania it was available only until the child was 3, but the number of days per year was unlimited.)

- Housing - subsidies, payments and/or preferences were given to families

with children.

- childcare:

nurseries/creches - center-based programs were provided for children

from a few months after birth to three (four) years of age. These were

generally operated by the Ministry of Health, thus staff were health-care providers.

- preschools/kindergartens - center-based programs were offered for

children from three (four) to six (seven) years of age. These were operated by the Ministry of Education and had a much greater focus on educational activities.



When quality provision was offered, children attending the programs benefitted. Within the center-based programs provided for the children they received health care, 3-5 meals a day and, in the best situations, an educational program.

Enrollment in nurseries/creches (for children from several months after birth to 3 years of age) and preschools/kindergartens for 3-6 year olds) was voluntary, and for the most part it was provided by the State. Attendance in creches/nurseries was low, due to the childcare allowance provided by government, which made it possible for women to stay home with their children for the first two to three years of the child's life. Many women took advantage of this. Thus there was not a great demand for creches/nurseries. For example, childcare attendance was highest in Bulgaria where in 1992 it was serving 14% of the 0-2 population. In the other countries in the study it was lower. With the exception of some rural areas where there was inadequate coverage, this level of provision appears to have been meeting the need.

On the other hand, center-based programs for the 3-6 year olds, begun in the early 1800s, were widely used, and increased in popularity and coverage until 1980. Historically a large percentage of the population took advantage of preschools/kindergartens, although they were never mandatory.

As a result of the movement to a market economy, the social support systems are changing. In all the countries included in the study the State employs fewer people, social services have been decentralized (with the exception of Romania) and privatization is underway, leading to the restructuring of enterprises and changes in the provision of social supports. During the early years of the transition, governments did not make overt changes in the social support policies in relation to health, education, and social services.

Overall fiscal austerity and the shift of responsibility for social services from the State to local authorities has affected all social sectors, including what is provided for children. The restructuring of government has had a

significant impact on the accessibility and quality of social services.

Increasingly changes are being made in social policy, most of which have a negative impact on the family and young children. In 1994, governments began to put forward changes in family support policies, and in 1995 we are seeing the first implementation of some of these changes.

### III. THE STUDY

In recognition of the changing economic and social situations in the countries studied, the objectives of this study were formulated. In general they were to: (a) provide a systematic assessment of the changing child care situation for young children, in terms of who is caring for the children and the quality of that care; and (b) make recommendations regarding future programming for children and their families, in light of the shifts to a market economy.

The study began with a general literature review. While there are considerable data describing the child care settings under the previous regimes, and UNICEF has done some situational analyses of women and children, there was little

information available on current child care and pre-school provision as the study began.[2]

The next step was to identify a lead research institution within each of the four countries included in the study. Those involved in the country studies were: the National Institute for Day-care Centres in Hungary, the Institute for Educational Research in Poland, the Institute for Education Studies in Romania, and the Counseling and Psychotherapy Centre in Bulgaria. The organizations in Hungary, Poland and Romania are all State-supported. In Bulgaria the lead institution is a non-governmental organization.

Early in the course of the study a meeting was held in Budapest, Hungary to determine the extent to which comparable data could be collected in each country.[3] At the meeting the situation in each country was described, and it was determined that given the unique characteristics of each country, and the lack of reliable data sets, there would not be a common research design. However, a set of themes was

identified that all participants agreed would be important to address. To the extent possible, each country attempted to address each of the themes. Given the resources available (financial, human and time) it was not possible to conduct an in-depth review. In essence the study is meant to provide a picture of the situation of young children in broad strokes. From the results it is possible to identify research interests and/or possible programming opportunities for which additional funds can be sought.

The major themes explored in each country study included:

1. Demographic data - population, birth rate, household composition, employment of parents
2. Settings - where young children are cared for, and when, as well as changes in child care settings that have occurred since 1989/90
3. Providers - types of caregivers (family, neighbors, trained and untrained workers, etc.) their qualifications and training available
4. Programs/Services - what happens during a child's day

5. Costs and financing - what does it cost and who pays for it
6. Quality of care being provided
7. Parent involvement - information, materials and supports available to  
parents
8. Availability and use of public awareness materials regarding child  
development
9. Legislation/policy - what policies are in place and what is being changed
10. The relationship between women's work and child care (i.e. the relationship  
between decreases in the availability of child care and women's decreasing  
participation in the work force)

#### IV. RESULTS

On the surface it would appear that the changes occurring in Central and Eastern Europe are very similar. The timing of the shift to a market economy has been similar. Economic reforms were first introduced in Eastern Europe in late 1989 in the countries studied, with the exception of Hungary, which began

modifying its price and ownership system in 1968. Specifically, Poland introduced its first comprehensive reform program in 1990. Bulgaria and Romania followed somewhat later. While introducing some initial reforms in 1990, reforms increased in intensity and scope in 1991 in Bulgaria and in 1992 and 1993 in Romania. Thus the shift in economic and social policies has been underway in the countries included in the study for three to five years.

Early on close attention was being paid to the economic impact of policy changes. It was not until later that attention has been focused also on the impact of the shifts on the quality of people's lives. What has been discovered is that economic policies that were created at the stroke of a pen have had profound impacts on people's lives. Thus it is critical to assess the social costs of the transition. These costs have implications for people's personal lives and for the long-term sustainability of the reforms. On the personal level there is unnecessary suffering and a waste of human lives, and on the societal level the stress on individuals and families

represents a source of considerable instability that could well jeopardize the reform process.

From a look at tables it is possible to see how the numbers are changing -- in terms of infant mortality rates, unemployment, the percentage of families living in poverty, etc. It is possible to analyze these numbers and make comparative statements about the quality of life in different countries.

But frequently the numbers gloss over the day-to-day reality of people's lives. In the study summarized in this report there was an attempt to pull together some basic statistics that would allow for comparisons -- both within country over time and across Countries--and to try to get at what these numbers mean for people. We begin with the data.



## The Data

This section presents some of the basic data on each of the four countries included in the study. This allows an analysis of what has been happening over time in each of the countries and it allows comparisons across the countries.

Table 1 presents data on the population and how it is changing. From Table 1 it is possible to see that in Bulgaria and Hungary, since the early 1980's there has been a steady decrease in the population (5% Bulgaria, 4% Hungary). In Poland there has been an 8% increase and in Romania there has only been a 2% increase.

Table 1:

### Population

(Midyear population 1,000s)

|          | 1980  | 1985  | 1989  | 1990  | 1991  | 1992  | 1993  |
|----------|-------|-------|-------|-------|-------|-------|-------|
| Bulgaria | 8862  | 8961  | 8877  | 8719  | 8657  | 8540  | 8472  |
| Hungary  | 10708 | 10579 | 10578 | 10365 | 10346 | 10324 | 10294 |

|         |       |       |       |       |       |       |       |
|---------|-------|-------|-------|-------|-------|-------|-------|
| Poland  | 35578 | 37203 | 37964 | 38119 | 38245 | 38365 | 38459 |
| Romania | 22201 | 22725 | 23152 | 23207 | 23185 | 22786 | 22755 |

Source: ICDC, 1994, pg. 90 [5]

One explanation for the decreases in the population in Bulgaria and Hungary is the significant decreases in the birth rate in these countries. (See Table 2).

There was a 28.8% decrease in Bulgaria's birth rate and a 19.3% decrease in the birth rate in Hungary between 1980 and 1993. But if crude birth rate were a sufficient explanation, then Poland and Romania should also be seeing population decreases, since the decrease in the crude birth rate was even greater in these countries (34.6% for Poland and 39.2% for Romania).

Table 2:

| Crude Birth Rate (per 1,000 population) |      |      |      |      |      |      |      |
|---|------|------|------|------|------|------|------|
|   | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
| Bulgaria                                | 14.6 | 13.4 | 12.7 | 12.1 | 11.1 | 10.5 | 10.4 |
| Hungary                                 | 14.0 | 12.4 | 11.7 | 12.2 | 12.4 | 11.8 | 11.3 |

|         |      |      |      |      |      |      |      |
|---------|------|------|------|------|------|------|------|
| Poland  | 19.6 | 18.3 | 15.0 | 14.5 | 14.4 | 13.5 | 12.8 |
| Romania | 18.1 | 15.9 | 16.1 | 13.7 | 12.0 | 11.5 | 11.0 |

Source: ICDC, 1994, pg. 90

Another variable that may important in explaining a decreasing population is the Crude Death Rate (See Table 3). This has been increasing in all four countries. Between 1980 and 1993 it increased 16% in Bulgaria, 4% in Hungary and Poland and 11% in Romania.

Table 3: Crude Death Rate (per 1,000 population)

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 11.1 | 12.0 | 12.0 | 12.5 | 12.8 | 12.6 | 12.9 |
| Hungary  | 13.6 | 14.0 | 13.7 | 14.1 | 14.0 | 14.4 | 14.4 |
| Poland   | 9.8  | 10.3 | 10.0 | 10.2 | 10.6 | 10.2 | 10.2 |
| Romania  | 10.4 | 10.9 | 10.7 | 10.6 | 10.9 | 11.6 | 11.6 |

Source: ICDC, 1994, pg. 90

Again, these data would suggest a population decrease, especially when these are combined with the data on crude birth rate. However, neither of these data are sufficient to explain the decrease in population. In a search within the country reports for further clarity, emigration rates were analysed.

Emigration, in fact seems to be a significant variable in population decreases.

For example, it is estimated that between 4 and 4.5 million Hungarians live outside Hungary. The Bulgarian report also indicates high emigration rates.

The data in Tables 1-3 are, as their titles suggest, crude. They mask what is going on in terms of fertility, birth and death rates, and the changes that are going on for women in terms of when and how often they conceive and give birth.

### Young Children

Since the focus of this study is on the youngest children, it is important to have an understanding of the percentage of young children within the population as a whole. Table 4 presents data on children 0-4 years of age.

Table 4: Percentage of Population Aged 0-4

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 7.9  | 6.6  | 6.5  | 6.4  | 6.2  | 5.8  | 5.6  |
| Hungary  | 7.5  | 6    | 5.9  | 5.9  | 5.9  | 5.9  | 5.9  |
| Poland   | 9    | 9.1  | 8.1  | 7.7  | 7.4  | 7.2  | 6.9  |
| Romania  | 9    | NA   | 7.8  | 7.8  | 7.4  | 6.9  | 6.4  |

Source: ICDC, 1994, pg. 91

As can be seen from the table, the percentage of the population represented by those under 4 has been decreasing since 1980 in all countries. These data are consistent with the general declines in population growth. In essence women are having fewer children. Further evidence of this can be seen in Table 5 which presents data on fertility rates. The largest change was in Romania, where there was a 41% decrease, followed by Bulgaria at 29%, Poland at 19% and Hungary at 12.5%.

Table 5: Total Fertility Rate

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 2.05 | 1.95 | 1.90 | 1.81 | 1.65 | 1.54 | 1.45 |
| Hungary  | 1.92 | 1.83 | 1.78 | 1.84 | 1.86 | 1.77 | 1.68 |
| Poland   | 2.28 | 2.33 | 2.05 | 2.04 | 2.05 | 1.93 | 1.85 |
| Romania  | 2.45 | 2.26 | 1.92 | 1.83 | 1.56 | 1.52 | 1.44 |

Source: ICDC, 1994, pg. 93

### Characteristics of the Mother

In addition to looking at the fertility rate, there are interesting data provided by an analysis of who the women are that are having children. Tables 6 through 8 help paint the picture. The first things that can be seen is that increasingly younger and younger women are having children in Bulgaria and Romania (see Table 6). In Poland and Hungary the percentage of mothers under the age of 20 has remained more or less the same since 1989: 8% and 12% respectively.

Table 6: Percentage of Births to Mothers Below Age 20

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 19.2 | 19.5 | 20.9 | 21.4 | 23.5 | 24.6 | 24.9 |
| Hungary  | 14.5 | 13.8 | 12.2 | 12.3 | 12.3 | 12.4 |      |
| Poland   | 6.4  | 6.4  | 7.4  | 8.0  | 8.5  | 8.5  | 8.4  |
| Romania  | 12.8 | 15.7 | 15.1 | 15.2 | 16.9 | 17.3 |      |

Source: ICDC, 1994, pg. 93

Table 7 suggests that in all the countries where data are available, more and more of these young women are not married when they have children. The issue is discussed at length within the Bulgaria report.

For decades in the past, society had negative attitudes about extramarital births and it was not a compliment to be called a single mother, a bastard, or even an adopted child. Today, the economic crisis is very severe and it is difficult for single mothers, but the psychological barriers have changed and many women who have extramarital babies prefer to

keep them. (Kornazheva, 1995, pg. 23)

The reports indicate that this trend is likely to continue. This means that there is an ever-increasing population of single-parent families. This is particularly frightening when data on family income, which follows, indicates that it takes two parents working for a family to simply survive. There will need to be increased social support for the single-parent families. This is already happening in Poland and Bulgaria, where single parents (mothers or fathers) are provided with larger allowances/child than two-parent families.

Table 7: Percentage of Births to Unmarried Mothers

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 1.09 | 11.7 | 11.5 | 12.4 | 15.6 | 18.5 | 22.2 |
| Hungary  | 7.1  | 9.2  | 12.4 | 13.2 | 14.1 | 15.6 | 17.4 |
| Poland   | 4.7  | 5.0  | 5.8  | 6.2  | 6.7  | 7.2  | 8.2  |
| Romania  | 2.8  | 3.7  | 4.3  | 4.0  | 4.2  | NA   | NA   |

Source: ICDC, 1994, pg.93



While there are many young mothers who are choosing to have their children and keep them, there are many other women who seek abortions rather than giving birth. A look at the data on abortions (Table 8 ) provides some indication of how abortion is viewed within the countries included in the study.

Table 8: Abortion Rate (per 100 live births)

|          | 1980  | 1985  | 1989  | 1990  | 1991  | 1992  | 1993  |
|----------|-------|-------|-------|-------|-------|-------|-------|
| Bulgaria | 121.7 | 111.2 | 117.6 | 137.5 | 144.3 | 149.1 | 126.6 |
| Hungary  | 54.4  | 63.0  | 73.4  | 71.9  | 70.7  | 71.5  | 64.6  |
| Poland   | 19.9  | 20.0  | 14.6  | 10.9  | 5.7   | 2.3   | NA    |
| Romania  |       |       | 39.8  | 315.3 | 314.9 | 265.7 | 234.3 |

Source: ICDC, 1994, pg. 93

Abortion has never been encouraged in Poland, and in fact, there is an anti-abortion law in effect which keeps the abortion rate extremely low. In Hungary there was a relatively high abortion rate prior to 1992, at which point a law was instituted that makes abortions more difficult, and contraceptives were made more widely available. (UNICEF, 1994, pg. 60) There was a

significant decrease in abortions in 1993, and it is anticipated that the rate will continue to decline.

Romania and Bulgaria present quite different social policies in relation to abortion. In both countries abortion is used as a form of contraception. (In Romania there were 1 million abortions in 1990. The cost of an abortion in Romania is less than a 3-month supply of contraceptives. (UNICEF, 1994, pgs. 65-66)) The impact of such high abortion rates can be seen in terms of maternal mortality rates (see Table 9). In Romania maternal mortality rates are very high. One explanation for the high rates in Romania is the fact that abortions were illegal prior to the reforms, yet they were the most common form of birth control. It can be hypothesized that many women died as the result of abortions that took place under conditions that put the women at great risk. The same does not appear to be the case in Bulgaria. Since the maternal mortality rates in Bulgaria are relatively low, it would appear that the

conditions under which women abort are not so life-threatening in Bulgaria.

However, one can imagine the toll a series of abortions would take on a woman's body and what it would mean in terms of women's ability to conceive when they want to have a child.

Table 9: Maternal Mortality Rate (per 100,000 live births)

|          | 1980  | 1985 | 1989  | 1990 | 1991 | 1992 | 1993 |
|----------|-------|------|-------|------|------|------|------|
| Bulgaria | 21.1  | 12.6 | 18.7  | 20.9 | 10.4 | 21.3 | 14.2 |
| Hungary  | 20.9  | 26.1 | 15.4  | 20.7 | 12.6 | 9.9  | 11.8 |
| Poland   | 11.7  | 11.1 | 10.7  | 12.8 | 12.8 | 9.9  | NA   |
| Romania  | 132.1 | NA   | 169.4 | 83.6 | 66.5 | 60.3 | NA   |

Source: ICDC, 1994, pg. 108

### Birth Outcomes

What happens for those children who are born? Data on birth outcomes provide some indication of the health of the population. There are better birth outcomes when women are provided with quality prenatal care and when women have the appropriate nutrition prior to the birth of the baby. One way to look at

this is in terms of the Infant Mortality Rate - IMR (Table 10) and the Under-Five Mortality Rate (Table 11). These provide some indication of the health of women when they have children and the conditions under which children are born.

Table 10: Infant Mortality Rate (per 1,000 births)

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 20.2 | 15.4 | 14.4 | 14.8 | 16.9 | 15.9 | 15.5 |
| Hungary  | 23.2 | 20.4 | 15.7 | 14.8 | 15.6 | 14.1 | 13.3 |
| Poland   | 21.3 | 18.5 | 16.0 | 16.0 | 15.0 | 14.4 | 13.3 |
| Romania  | 29.3 | 25.6 | 26.9 | 26.9 | 22.7 | 23.3 | 23.3 |

Source: ICDC, 1994, pg. 104

The data indicate that between 1980 and 1989 there was a decrease in the IMR in all countries. Soon after transition the rates increased somewhat in Bulgaria and Hungary, but subsequently they started to decrease once again. Poland and Romania, for the most part, continue to have

decreasing rates. While the rates are decreasing they are still higher than desirable, particularly in Romania.

Table 11: Under 5 Mortality Rate

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria | 24.0 | 21.0 | 18.3 | 18.7 | 21.4 | 20.6 | 19.6 |
| Hungary  | 26.0 | 21.0 | 18.0 | 16.8 | 17.6 | 15.9 | 13.3 |
| Poland   | 25.0 | 21.0 | 18.7 | 18.6 | 17.2 | 16.8 | 15.4 |
| Romania  | 36.0 | 31.0 | 34.9 | 35.7 | 30.8 | 30.5 | 30.3 |

Source: ICDC, 1994, pg. 105

The same trends can be seen in the Under-5 Mortality data. In essence, the conditions that produce children who survive and who remain alive during the early years, have been improving. In discussions about the current health care systems in the four countries, however, the researchers indicate that these systems are beginning to deteriorate, and unless there is an infusion of support into the health system, there is likely to be a reversal in IMR and Under-5 Mortality rates.

What these data show collectively is that given the smaller number of children - both in absolute terms and in terms of the percentage of the population that young children represent - under the previous political and economic system there might well have been a closing of some childcare facilities since there were fewer children. The shift to a market economy is not, in and of itself, an explanation for the closing of facilities. Further, those children being born into the world today are at much greater risk of delayed and debilitated development, given that they are born to younger and younger women, who are not fully adults themselves, and they are being born to women who are having the children on their own and thus they will struggle even more than others to provide the financial underpinning necessary to sustain a family.

#### The Impact of the Transition on the Family

Clearly families in all four countries are under a great deal of economic stress as a result of economic changes. One indication of the stress is the inflation rate. This is presented in Table 12, with the consumer price index

set at 100 in 1989. Poland was hit immediately at the time of transition with

high inflation, and it has been increasing significantly each year since then.

During the initial transition years inflation was controlled somewhat in the

other countries, particularly Hungary. There has been a steady increase in

inflation in Bulgaria with a huge jump between 1992 and 1993 (56%). The

situation is even worse in Romania. During the same one-year period there was

a 338% increase in inflation.

Table 12: Annual Inflation (Consumer Price Index 1989 = 100)

|          | 1980 | 1985 | 1989  | 1990  | 1991   | 1992   | 1993   |
|----------|------|------|-------|-------|--------|--------|--------|
| Bulgaria | 89.6 | 93.7 | 100.0 | 123.8 | 542.7  | 973.7  | 1519.3 |
| Hungary  | 46.4 | 64.4 | 100.0 | 128.9 | 174.0  | 214.0  | 262.2  |
| Poland   | 2.9  | 11.9 | 100.0 | 685.8 | 1167.9 | 1670.1 | 2259.6 |
| Romania  | 70.7 | 93.5 | 100.0 | 105.1 | 271.2  | 800.3  | 3500.6 |

Source: ICDC, 1994, pg. 95

At the same time that inflation is making it impossible for families to purchase even the most basic necessities, the State is decreasing the support that it provides (Table 13), and the reports clearly indicate that even this amount of support is likely to be cut given economic constraints.

Table 13: Public Expenditure on Family and Maternity Allowance

|          | 1980 | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|------|------|
| Bulgaria |      |      | 2.6  | 2.7  | 3.3  | 2.5  | 1.7  |
| Hungary  | 2.5  | 2.7  | 4.0  | 4.0  | 4.6  | 4.7  |      |
| Poland   |      |      | 2.1  | 1.7  | 2.3  | 2.2  |      |
| Romania  |      |      | 3.2  | 3.1  | 1.9  | 1.1  |      |

Source: ICDC, 1994, pg. 97

And the percentage of family income that is provided through family allowances is decreasing, with the exception of Poland. (See Table 14)



Table 14: Chile Allowance/Average Wage Ratio (%) 2-child Family

|          | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|------|------|------|------|------|
| Bulgaria | 12.8 | 9.8  | 13.8 | 10.7 | 9.0  |
| Hungary  | 20.5 | 21.8 | 19.9 | 18.1 | 17.0 |
| Poland   | 2.6  | 5.8  | 6.5  | 6.7  | 5.4  |
| Romania  | 9.8  | 8.9  | 6.6  | 5.3  | 4.7  |

Source: ICDC, 1994, pg. 99

But what if parents are unemployed?

Table on unemployment rates

In relation to issues of childcare, it is most significant to look at

Women's unemployment rates. Up until the 1989-1992 period the size of the working-age female cohort (ages 15-55) was increasing. Participation rates were in the range of 80-90%. Between 1989 and 1992 these dropped, with the exception of Romania where there was an increase in agricultural activity which increased women's employment between 1989 and 1991, with a slight drop in 1992. From 1989 to 1992 female participation in the workforce dropped from 93%

to 66% in Bulgaria; from 78% to 66% in Hungary; and from 70% to 60% in POLAND.

(ICDC, 1993, pg. 56) Thus many women are unemployed during a time when family survival is dependent on two incomes.

There is no doubt that increasingly families are becoming poorer. As can be seen in Table 15, for all four countries from 1989 to 1992, there are some rather depressing trends. In Hungary and Romania there are data to differentiate what is happening for children from what is happening for families in general. The data indicate that impact of the trends noted above are all contributing to more and more children being born into poverty.

Table 15: Estimates of the Percentage of the Population Living in Poverty 1989-1993 Using 45% of the 1989 Average Wage/Month as Marker

|          |            | 1989 | 1990 | 1991 | 1992 |
|----------|------------|------|------|------|------|
| Bulgaria | Population |      |      |      | 53.6 |
| Hungary  | Population | 10.1 | 14.1 | 21.3 | 29.1 |
|          | Children   |      |      |      |      |
| Poland   | Population | 20.5 | 39.7 | 38.8 | 42.5 |

|         |            |           |           |           |           |
|---------|------------|-----------|-----------|-----------|-----------|
| Romania | Population | 27.3 38.1 | 18.5 30.7 | 28.1 42.1 | 51.1 70.1 |
|---------|------------|-----------|-----------|-----------|-----------|

### Children

Source: ICDC, 1993, Table 1, page 8

At the same time social supports are withering. One of the mainstays has been the childcare system, but that is now undergoing change.

### Childcare

As can be seen in Table 16 creches/nurseries for the youngest children have never served a larger percentage of the population. The percentage has increased in Bulgaria, remained more or less the same in Romania and decreased somewhat in Hungary and Poland since 1989. The low attendance rates had to do with the fact that women could take leave from their jobs during the early years of the child's life, thus there was little call on center-based child care.

Table 16: Children in Creches as % of 0-2 Age Group

|          | 1989 | 1990 | 1991 | 1992 |
|----------|------|------|------|------|
| Bulgaria | 12.8 | 11.7 | 11.7 | 14.0 |
| Hungary  | 8.1  | 7.5  | 6.7  | 6.4  |
| Poland   | 8.5  | 8.0  | 6.7  | 5.4  |
| Romania  | 4.4  | 4.3  | 4.2  | 4.0  |

Source: ICDC, 1993, pg. 60

The situation has been quite different when children reached age 3. At that point women had to return to work so there was a great need for the State to provide care for children. Further there was some understanding of the value of the preschool/kindergarten experience to support the growth and development of children within the 3-6 age group. What is interesting is that the importance of a preschool/kindergarten experience was recognised early-on in these countries. In fact, within Europe, they set a high standard and were strong advocates for kindergartens. Nonetheless, preschool and kindergarten were never mandatory. Table 17 presents data on the percentage of children who

attended preschool/kindergartens in the four countries.

Table 17: Preschool/Kindergarten Enrolment Rate (as % of Relevant Population)

|          | 1980  | 1985 | 1989 | 1990 | 1991 | 1992 | 1993 |
|----------|-------|------|------|------|------|------|------|
| Bulgaria | 104.0 | 93.0 | 72.8 | 67.0 | 56.1 | 59.8 |      |
| Hungary  | 96.0  | 91.0 | 85.7 | 84.9 | 85.9 | 86.5 | 86.6 |
| Poland   | 55.0  | 51.0 | 48.7 | 47.1 | 43.9 | 42.6 | 42.7 |
| Romania  | 83.0  | 75.0 | 63.2 | 54.3 | 51.9 | 53.5 |      |

Source: ICDC, 1994, pg. 106

What is interesting about Table 17 is that it indicates that regardless of where the countries started in terms of the percentage of children being served in preschools prior to reforms, since then there has been a decline in children's participation in preschool/kindergarten. This is most striking in Bulgaria where there was a 42.5% decrease, followed by Romania with a 35.5% decrease, Poland with a 22.4% decrease, with the least change being in Hungary (9.8%).

As has been shown these declines are the result of a variety of factors. The next question is, what is the impact of declining enrolment on children's growth and development. In situations where quality care and education were being provided, and this was the case in a significant number of settings, children are being deprived of valuable experiences.

What has brought about the decline in enrolment? The decrease can be explained by supply, demand, supply and cultural factors.

One reason for the diminishing supply is the shift from centralized control of and support for social services from central government to local authorities, with an attendant reduction in financial resources available for these services.

For example, beginning with the enactment of the new Law on Education in 1991, the State of Poland began handing over not only administrative tasks to municipalities but also financing and maintenance of nurseries, kindergartens and primary and secondary schools.

Unfortunately local authorities are sometimes forced to close kindergartens and preschools due to a lack of financial resources to maintain staff and maintain facilities, and provide them with appropriate equipment and supplies.

As has been noted in the country studies, not only are financial resources lacking, but local authorities frequently lack the administrative and management skills that would allow them to use their resources efficiently and effectively.

Demand has been affected by women's unemployment--if they are not working in the formal sector they are available to take care of their children themselves--and the introduction of fees.

The introduction (increase in the case of Poland) of user fees designed to help local authorities finance kindergartens has not been enough to make a real difference in the running of programs. Where fees have made a difference is in terms of the parents' ability to send their children to kindergarten. In Bulgaria fees more than doubled in 1993 when universal fees amounting to 15% of

the average wage. In Poland, fees have steadily risen to 1/3rd of the average wage. In Romania fee increases introduced in September 1993 are now close to 16% of the average wage. (ICDC, 1993, pg. 59) yet the fees are paying less and less of the real costs of the care. In Romania the share of the costs borne by the users has been decreasing since 1989, at which point it was 69%; in 1990, it was 82%; in 1991, 59%; and in 1992, 51% (ICDC, 1993, pg. 60).

Despite the heavy subsidization of childcare by the State in Romania, there has been a continuous decline in occupancy rates. (See Table 19) In essence the number of places has not changed significantly, while the number of children has been decreasing.

Table 19: Supply and Demand of Places, Occupancy and Enrolment Rates in Kindergartens, Romania

|                           | 1989 | 1990 | 1991 | 1992 |
|---------------------------|------|------|------|------|
| Places in Kindergartens   | 814  | 812  | 811  | 801  |
| Children in Kindergartens | 836  | 752  | 742  | 752  |
| Occupancy rate (%)        | 103  | 93   | 92   | 94   |



|                            |    |    |    |    |
|----------------------------|----|----|----|----|
| Overall enrolment rate (%) | 63 | 54 | 52 | 53 |
|----------------------------|----|----|----|----|

Source: ICDC, 1993, pg. 28

### Children's Homes

When families are dysfunctional and/or living under conditions of poverty the response under previous regimes was to help the family out by placing the child in an institution. There were no social services that provided support to the family in an effort to strengthen the family as a social unit. The result of policies before reforms were instituted meant that only a small percentage of those children living in State-operated homes were actually orphans. For example, in Hungary in 1992, only 2% of the children in homes had lost both parents and 12% were fatherless or motherless. (ICDC, 1993, pg. 31)

With a renewed focus on the family and in attempts to decrease dependence on the State, some of the countries are attempting to shift services to supporting families rather than continuing to institutionalize children. But as noted earlier, this shift in expectations and responsibility is not one easily made.

Table 20 presents data on the absolute number of children who are in children's homes. The data indicate that the number of children in institutional care has been decreasing in all instances, except in Bulgaria, where there was a decrease initially after the reforms began, but the numbers are now increasing.

Table 20: Children in Institutions (absolute numbers)

|          | 1989  | 1990  | 1991  | 1992  | 1993  |
|----------|-------|-------|-------|-------|-------|
| Bulgaria | 13035 | 12117 | 11926 | 12006 | 12406 |
| Hungary  | 19663 | 17492 | 16237 | 14971 | 14222 |
| Poland   | 32476 | 31684 | 31986 | 31007 | 29259 |
| Romania  |       | 90688 | 93799 | 80441 |       |

Source: ICDC, 1994, pg. 107

Look at percentages of children in homes compared with population of age group.

There are several plausible reasons for the decreasing numbers. One is that where countries have adopted the Convention on the Rights of the Child, poverty can no longer be used as a criterion for placing children in homes. Thus children who would once have been placed in children's homes are now remaining in their families. This is true in Hungary, Poland.

Another hypothesis is that more and more children are being placed in foster care rather than in homes. But a look at the data would suggest that this is not the case in the countries where there are data on foster care. For example, in Hungary there was a decrease in the number of children in foster care between 1989 and 1992 -- 8717 in 1989 and 8487 in 1992. In Poland there was only a 2.8% increase between 1989 and 1992 in the number of children in foster care (32087 in 1989 and 32968 in 1992).

Another possibility is that the decrease in number of children in Children's homes is the results of an increase in the number of adoptions. However, the data suggest that the number of adoptions are decreasing. In

Bulgaria there were 1123 adoptions in 1989 and only 905 in 1992. The respective number for Hungary were 982 and 923; for Poland they were 4176 and 3550, with 2810 adoptions in 1993. (Data on Romania were not available.) One reasons for the drop in adoption rates is that soon after the reforms people from outside the countries could adopt children. Thus there were high adoptions rates in 1989 and 1990. Since then countries have developed much more restrictive adoption policies. Bulgaria is an example:

In general, the conditions for adoption by a foreigner are more stringent than those for adoption by a national. There are a number of rules that serve as a barrier to the "export" of children. One of them is that only children at least one-year old can be adopted. Another condition is that Bulgarians should have refused several times to adopt the child and only then can the child be offered to foreign applicants for adoption. For example, in Bulgaria today a child has to be rejected a number of times by Bulgarian families before they can be adopted by foreigners. (Kornazheva, 1995, pg. 24)

The most plausible reason for the decrease in numbers has to do with the whole system surrounding children's homes. The system is being affected by the economic crisis. There are fewer funds available to support staffing and maintenance of the homes. The report on Hungary describes the issues in some detail. In Hungary there are fewer professionals in position to make referrals, and the administrative structure currently in place is being overloaded. Thus, previously there would be only a short time before referral and placement, today that process can be delayed for months. But reforms are underway.

The Government is preparing a law on child welfare and child protection.

Within this system of social provision, with regard to the particular rights and interests of children, the Law wishes to establish a system which guarantees welfare provisions and protection for children, which, on the one hand, assists families in the upbringing of children by offering various kinds of support and services, and, on the other hand, ensures the appropriate

provisions for and protection of children removed from their families.

(Korintus, 1995, pg. 44)

### Changes in Benefits

In most countries eligibility remains restricted to employed parents, rather than being universally available, with the exception of Hungary where eligibility for family supports has become less restricted, In 1990, already widely available allowances became universal, limitations for families with one child were removed and although several proposals for better targeting have been put forward, no criteria have yet been introduced.

In Poland the situation has become more restrictive, with benefits further targeted toward the very poor. In 1992 the income threshold was decreased from 25% to 18% of the average wage. The value was reduced to a flat rate of 21% of the average wage. (Previously it was 25% of the person's previous wage. Benefits for single mothers were set slightly higher.

In Romania where no paid leave had been provided before 1989, a leave with cash benefits (65% of the last wage) was introduced for full-time employed parents, available until the child's first birth (ICDC, 1993, pg. 59).

Children of the self-employed, of those working in private enterprises and of non-working parents not registered at public Labour offices remain ineligible for family allowance. (Pg. 62) However, the intent was to universalize allowances in 1994.

At the time this report was written the full final report had not been received from Romania, so only the preliminary data from that country has been included in the analysis.

The International Child Development Centre in Florence Italy, under UNICEF, was in the process of publishing Public Policy and Social Conditions: Central and Eastern Europe in Transition, 1993. This was not available when this study was initiated, but as will be seen, has become a source of some interesting comparative data.

At the time, Bulgaria had not yet joined the study. They entered in September 1994 to take a step in the creation of such a monitoring system, the Public Policies and Social Conditions: Monitoring the Transition to the Market Economy in Central and Eastern Europe Project (MONEE) was initiated by the Florence-Based UNICEF International Child Development Center (ICDC) in late 1992. Its principle aim is to monitor social conditions and social policy during this time of transition.

Many of the tables in this section of the report were taken from the 1993 and 1994 Reports Public Policy and Social Conditions: Central and Eastern Europe in Transition, produced by the International Child Development Centre in Florence, Italy. In some instances these data were different from what was given in the country reports. When that has happened, it has been noted.